

# 2022 TAX DEDUCTION WORKSHEET

## Farmers

Please total all income and expenses you incurred for the year, in the following categories:

Total sale of livestock bought for resale	Total \$ _____ Original Price \$ _____ Selling Price \$ _____
Sales of livestock, produce, grains & other items you raised	\$
Agriculture program payments you received	\$
Custom hire income	\$
Other income	\$
Chemicals	\$
Conservation expenses	\$
Employee benefit programs	\$
Feed	\$
Fertilizers and lime	\$
Freight and Trucking	\$
Gas, Fuel, & Oil for farm machinery	\$

Farm insurance	\$
Interest paid on loan or credit cards used ONLY for business	\$
Mortgage Insurance	\$
Labor paid <i>(if more than \$600 on any one person you MUST submit a 1099misc)</i>	\$
Rent paid on land	\$
Rent paid on equipment/livestock	\$
Repairs & maintenance on equipment	\$
Seeds & plants	\$
Storage & warehouse costs	\$
Supplies	\$
Vet expenses for livestock	\$
Breeding expenses for livestock	\$
Depreciation	\$

Personal Vehicle Expenses					
<i>ONLY from farm to bank, supply/feed store, etc.</i>					
<b>Vehicle Make, Model &amp; Year:</b>					
<b>Date of Purchase:</b> /    /			<b>Purchase Price:</b> \$		
<b>Fuel</b>	\$	<b>Repairs &amp; Maintenance</b>	\$	<b>Car Washes</b>	\$
<b>Tags</b>	\$	<b>Insurance</b>	\$		

<b>Asset Depreciation – Farm Equipment and/or Vehicles</b>					
<i>You must report the purchase and disposition of all assets you used in your farming. For each asset bought or sold, provide the following information:</i>					
<b>Assets Purchased</b>			<b>Assets Sold or Disposed of</b>		
<b>Description</b>	<b>Date Purchased</b>	<b>Purchase Price</b>	<b>Description</b>	<b>Disposition Date</b>	<b>Sale Price</b>

**Coronavirus Food Assistance Program (CFAP)**

The CFAP provides direct payments to producers of eligible agricultural commodities adversely affected by the coronavirus (COVID-19) pandemic to help offset sales losses and increased marketing costs associated with the COVID-19 pandemic. CFAP payments are agricultural program payments that you must include in gross income. Report the full amount of your CFAP payments on Schedule F (Form 1040), lines 4a and 4b. See the Instructions for Schedule F (Form 1040).

You may be able to deduct certain expenses using the home office deduction if you used your home to conduct farming business. However, you must have used part of your home exclusively and regularly as the principal place of business for your farming operation, and you cannot have another fixed location from which you managed and administered your business. Check out IRS Publication 225 to learn more about business use of your home when you are a farmer.

Also, as a farmer, you are likely to have multiple streams of income, and there may be some income sources that you didn't know you needed to report.

Farming income you may have to report:

- Sales of livestock and other resale items
- Sales of livestock, produce, grains and other products you raised
- Distributions from a cooperative
- Agricultural program payments
- Commodity Credit Corporation loan proceeds (you can choose to count this as income if you pledge part or all your production to secure the loan)
- Crop insurance proceeds
- Federal crop disaster payments

- Income you received for custom hire or machine work
- Gasoline or fuel tax credit or refunds

As a farmer, you may have many sources of taxable income — including bartering, cancelled debt, prizes from livestock competitions and more. See IRS Publication 225 to learn more about farm income. Because there are so many different income sources you must report, it is important to keep meticulous records throughout the year to make it easier to file your return correctly. You will report the income, along with your expenses, on Schedule F of Form 1040.

### **Examples of Farming Supply Deductions**

Appointment books	Fuel – heating oil for barns, stables	Repairs & maintenance
Breeding fees	Invoice books	Security system/guard dog
Calculator	Lawnmower	Seeds/young plants
Calendars	Lime	Soil/water conservation
Cleaning Services	Litter/bedding	Small tools
Clippers	Livestock & fees	Storage
Crop scouting expenses	Milk assessment	Steel-toe boots
Dues to cooperatives	Paper	Toolbox
Education	Paperclips	Tractors
Farm Magazines	Pens/pencils	Travel Expenses (transporting cattle, etc.)
Feed	Pesticides	Trash bags
Fertilizer	Power cords	
Fuel for trucks/tractors		